



# Department of Justice

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## **HOGSETT ANNOUNCES \$1 MILLION FINE FOR FAILING TO COMPLY WITH AIRPLANE CARGO SCREENING LAWS**

*Fine represents largest ever penalty against cargo company for intentional security violations*

### PRESS RELEASE

INDIANAPOLIS - Joseph H. Hogsett, United States Attorney, announced today that OHL Solutions, Inc., formerly doing business as ActivAir, Inc., agreed to a \$1 million civil fine and other remedial steps for shirking their responsibility to screen cargo for explosives that was destined for passenger aircraft prior to December 2010. This follows a lengthy investigation by the Transportation Security Administration (TSA).

“When it comes to national security, there is no room for error, and we have no tolerance for shortcuts,” Hogsett said. “This record-setting fine, and the important corrective actions taken by the company, underscore our dedication to ensuring the safety of all those who travel through America’s airports.”

The United States Attorney’s Office alleged that prior to December 2010, employees working for the New York-based company’s Indianapolis facility engaged in a systemic pattern of record-keeping violations by failing to properly screen for explosives 100% of air cargo as required by their security program. It is alleged that the employees continued to certify that the air cargo had been screened, which was later shipped on passenger aircraft.

This case represents the largest regulatory fine ever assessed by TSA against a cargo entity for intentionally violating TSA security requirements.

“Through the diligent work of TSA regulatory inspectors and criminal investigators, in conjunction with the Department of Justice, this case sends a strong message that premeditated skirting of TSA security measures can lead to serious consequences for both individual employees and the corporations that employ them,” Hogsett added.

As a result of the TSA investigation, three Indianapolis residents, Andrew Barnes, age 32,

Brian Vanhandel, age 31, and Mitchell Totty, age 26, have each agreed to plead guilty to an Information charging them with conspiracy to commit federal reporting and recordkeeping violations.

The factual assertions contained in both the Information and an agreement between ActivAir and the government are based on the federal Implementing Recommendations of the 9/11 Commission Act. This law requires that 100% of all cargo transported on passenger aircraft be screened for explosives as of August 1, 2010. In order to achieve this 100% requirement, TSA developed the Certified Cargo Screening Program (CCSP) which enables freight forwarders and shippers to pre-screen cargo prior to arrival at the airport.

The location of this pre-screening is normally at a Certified Cargo Screening Facility (CCSF). ActivAir was certified by TSA to screen and ship cargo as a CCSF on or about March 19, 2009.

TSA has over 500 inspectors throughout the country to ensure compliance with air cargo laws and regulations. The inspectors regularly, continually, and rigorously audit facilities to ensure compliance with screening regulations. If any violations are found, TSA takes immediate action, which can include both civil and criminal penalties.

“Air cargo is more secure today than it has ever been with mandatory screening in place for passenger aircraft,” said TSA Assistant Administrator for Transportation Sector Network Management John Sammon. “Ensuring that all parties are complying with screening requirements is a top priority for TSA. Those found to be violating air cargo screening regulations face severe civil and criminal penalties.”

“ActivAir has acknowledged the serious nature of the misconduct that occurred in its Indianapolis branch office, offered its complete cooperation in connection with the TSA investigation, and accepted full responsibility for the actions of its employees, said Frank Eichler, Vice President and General Counsel for OHL Solutions, Inc. “ActivAir’s management recognizes the importance of TSA security measures and has taken decisive action to prevent the recurrence of the compliance failures discovered at its Indianapolis branch office. ActivAir remains committed to a policy of strict compliance with all security regulations going forward.”

According to Assistant U.S. Attorney Cynthia J. Ridgeway, who is prosecuting the case for the government, Barnes, Vanhandel and Totty each face a maximum of 5 years in prison and \$250,000.00 fine. An initial hearing will be scheduled before a U.S. Magistrate Judge in the near future.

An information is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.

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